

5/003/648

SAWTOOTH STONE SUPPLY, LLC

PH. 208-862-3864
2104 S. 100 E.
OAKLEY, ID 83346

*Returned
check until
lease is resolved!*
DATE 5-5-04

1669

92-379 3340
1241

PAY
TO THE
ORDER OF

State of Utah Division of oil Gas + Mining

\$ 150.00

One Hundred Fifty Dollars & 00/100

DOLLARS  Security Features
Details on Back



Wells Fargo Bank Northwest, N.A.
130 E. Main St.
Burley, ID 83318
www.wellsfargo.com

FOR

Filing fee

Bruce Mitchell

MP

0001

Assigned DOGM File No.: S / /

DOGM Lead: _____

Permit Fee \$ _____ Ck # _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

*Returned to
operator until
lease is resolved*

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" means mining operations which disturb five or less surface acres at any given time.

I. GENERAL INFORMATION (Rule R647-3-104)

1. Name of Mine: Sawtooth Stone Quarry #3
2. Name of Person or Entity Applying for Permit: Sawtooth Stone Supply
Address: P. O. Box 49
City, State, Zip: Oakley, Idaho 83346
Phone: (208)862-3864 Fax: (208)862-3868
E-mail Address: _____

Company () Corporation () Partnership () Individual ()

Other (X) - specify type) Limited Liability Corporation

A corporation must be registered with the State of Utah, Division of Corporations. Are you currently registered to do business in the State of Utah? ☐ Yes ☐ No

Business License # _____

Registered Agent (as identified on business license): _____

Address: _____

City, State, Zip: _____

Phone: _____ Fax: _____

E-mail Address: _____

3. Name of Operator (if different from #2) Bruce Mitchell
Address: P. O. Box 49
City, State, Zip: Oakley, Idaho 83346
Phone: (208)862-3864 Fax: (208)862-3868
E-mail Address: _____

RECEIVED

MAY 20 2004

DIV. OF OIL, GAS & MINING

If Partnership or Individual:

Name of 1st owner / partner: _____

Address: _____

City, State, Zip: _____

Phone: _____ **Fax:** _____

E-mail Address: _____

Name of 2nd owner / Partner: _____

Address: _____

City, State, Zip: _____

Phone: _____ **Fax:** _____

E-mail Address: _____

If Corporation or Limited Liability Entity:

Name of Officers: Bruce Mitchell **Title:** Co-owner

Carl Borgetrom **Title:** Co-owner

_____ **Title:** _____

_____ **Title:** _____

4. Permittee / Operator Representative (if different from #3):

Name: _____

Address: _____

City, State, Zip: _____

Phone: _____ **Fax:** _____

E-mail Address: _____

5. Ownership of Land Surface:

Private (Fee) ☐ Public Domain (BLM) ☒ National Forest (USFS) ☐

State Trust Land/School Sections ☐ State Sovereign Lands ☐

Other (please describe): _____

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

6. Ownership of Minerals:

Private (Fee) ☐ Public Domain (BLM) ☒ National Forest (USFS) ☐

State Trust Land/School Sections ☐ State Sovereign Lands ☐

Other (please describe): _____

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

Name _____ Address _____

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s): _____

BLM Lease: UTU-80420

Utah State Lease Number(s): _____

Name of Lessee(s) _____

7. **Have the above surface and mineral owners been notified in writing?**Yes XXXX No _____

If no, why not? _____

Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration prior to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

8. **Does the Permittee / Operator have legal right to enter and conduct mining operations on the land covered by this notice?** Yes XXX No _____**II. PROJECT LOCATION & MAP (Rule R647-3-105)**1. **Project Location** (legal description):County(ies): Box Elder

<u>NW</u> 1/4, of <u>SE</u> 1/4, of <u>SE</u> 1/4:	Section: <u>36</u>	Township: <u>11N</u>	Range: <u>16W</u>
<u>SW</u> 1/4, of <u>NE</u> 1/4, of <u>SE</u> 1/4:	Section: <u>36</u>	Township: <u>11N</u>	Range: <u>16W</u>
_____ 1/4, of _____ 1/4, of _____ 1/4:	Section: _____	Township: _____	Range: _____

UTM East 1,420,000 feet (if known) UTM North 479,100 feet (If known)Name of Quad Map for Location: Warm Spring Hills & Potter's Creek

2. A topographic base map showing the location of the proposed small mining operation must be submitted with this notice. A USGS 7.5 minute series map is preferred. The areas to be disturbed should be plotted in sufficient detail so that they can be located on the ground. It is recommended that the Permittee / Operator also photo document, plot and label any pre-existing disturbances in the immediate vicinity that he is not responsible for.
3. The proposed (5 acre or less) disturbed area boundary (including access/haul roads) **must** be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. OPERATION PLAN (Rule R647-3-106)

1. Type of mining: Surface ☒ Underground ☐
2. Mineral(s) to be mined: Quartzite Building Stone
3. Amount of material to be extracted, moved or proposed to be moved: 3,000 tons
4. Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process?
Yes ☐ No ☒ If yes, please describe (add extra pages if needed)

5. Provide a brief description of the proposed mining operation and onsite processing facilities (add extra pages if necessary). Please see attachment

6. ☒ New Road(s): Length 950 (ft) Width 15 (ft)
7. ☐ Improved Road(s): Length _____ (ft) Width _____ (ft)
8. Total project surface acreage to be disturbed: 2.0 (acres) PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount - see #VI).
9. Proposed startup date of project (month, year) May, 2004
10. Proposed completion date of project, if known (month, year) Unknown

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining:

1. *Keep the mining operation in a safe, clean, and environmentally stable condition.*
2. *Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.*
3. *Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.*
4. *Construct berms, fences, or barriers, when needed, above highwalls and excavations.*
5. *Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.*
6. *Remove all waste or debris from stream channels.*

7. *Dispose of any trash, scrap metal, wood, machinery, and buildings.*
8. *Conduct mining activities so as to minimize erosion and control sediment.*
9. *Reclaim all roads that are not part of a permanent transportation system.*
10. *Stockpile topsoil and suitable overburden prior to mining.*
11. *Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.*
12. *Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.*
13. *Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)*
14. *Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.*

V. VARIANCE REQUEST (Rule R647-3-110)

Yes ☐ No ☒

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above, should be identified below and justification given for the variance request(s).

<u>Item Number</u>	<u>Variance Request Justification</u>

VI. SURETY (Act 40-8-7(1)[c])

The Utah Mined Land Reclamation Act (40-8-7(1)[c]) provides the authority that all mining operations furnish and maintain reasonable surety to guarantee that the land affected is reclaimed according to approved *notices* consistent with on-site conditions. The surety amount is based on the following average calculations. These amounts are used as a general guide and may take individual discretionary judgment into consideration.

\$5,000 for the 1st acre; and

\$3,000 for each additional acre.

Note: Partial acreages are rounded up to the next highest #.

The surety must be provided to the Division prior to commencement of operations.

VII. PERMIT FEE [Mined Land Reclamation Act 40-8-7(1)(i)]

The Utah Mined Land Reclamation Act of 1975 [40-8-7(1)(i)] provides the authority for the assessment of permitting fees. Commencing with the 1998 fiscal year (July 1 - June 30), and revised July 1, 2002, permit fees are assessed to new and existing notices of intention, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

Small Mine Notices require a \$150.00 fee which must accompany this application or it cannot be processed by the Division.

NOTICE: The following person(s) are authorized and designated to receive Notices of Violations, Cessation Orders and all other Notices required by the Division to be given to the permittee or operator:

Name: Bruce Mitchell
Address: P. O. Box 49
City, State, Zip: Oakley, Idaho 83346
Phone: (208)862-3864 Fax: (208)862-3868
E-mail Address: _____

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

VIII. SIGNATURE REQUIREMENT

I hereby verify that the foregoing information is true and accurate and commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.

I have enclosed the required permit fee. I have also enclosed the appropriate reclamation surety amount or have made arrangements as to when the surety will be furnished. I further understand that I am not authorized to create any surface disturbance until the surety amount is posted and I have received written approval from the Division of Oil, Gas and Mining and any other authorized regulatory agency.

(Note: If a company or corporation, this form must be signed by the owner or officer who is authorized to bind the company/corporation to this Notice.)

Signature of Permittee/ Operator/ Applicant: Bruce Mitchell
Name (typed or printed): Bruce Mitchell
Title/Position (if applicable): Member - owner
Date: 5-10-04

Notice of Intention to Commence Small Mine Operations for Sawtooth Stone Quarry #3

III. **OPERATION PLAN (Rule R647-3-106)**

5. **Provide a brief description of the proposed mining operation and onsite processing facilities.** (Some information in this section has been added to answer questions in the Bureau of Land Management's "Suggested Format for Mining Plan.")

The operator will explore both the area of the excavator trenches created by the previous operator and the top of the ridge at the 5480 elevation contour where quartzite outcrop is present. After reviewing the potential of both areas, the operator will commence operations at the site where the larger amount of salable stone is present.

This will be an open pit operation. Initially, there will only be one bench. As the pit develops, a second bench may be developed. Quartzite will be mined from the highwall faces and floor of the open pit with an excavator. The stone will be moved to a work area where it will be spread out in thin layers away from the highwall face of the quarry. A front end loader or a dozer may be used to perform some of these operations when this equipment is available. Salable quartzite will be split, graded, stacked, and palletized for transportation off the site. The stone will be sold as building and decorative stone.

Unusable material will be placed on the waste dump. Where sufficient fines are present to be useable as growing material, they will be stockpiled for later reclamation. Where practical, a dozer will be used to strip overburden from the surface and stockpile fine material for later reclamation. The operator will make reasonable efforts to salvage pockets of soil materials when they are encountered.

Dust control will not be needed due to the slow rate of travel of the mining equipment to be used on site. Blasting; another source of dust; is not planned for this operation.

A "Mining Area, Restricted Use" sign will be posted at the start of the access road to the quarry. The public will not be allowed to use this road, and will be asked to leave if they are found using it. Only authorized personnel are allowed access to the quarrying area.

Erosion will be minimized in the following manner. The dump and floor of the pit will contain sufficient coarse material so snow melt and rain water will be able to seep through. This type of construction will filter out or trap sediment; keeping sediment from leaving the immediate area of the quarries.

Concurrent reclamation will not be practical due to the small size of the operation.

Reclamation will include development completed by the operator. Highwalls will be reduced in slope and pits will be partially backfilled with waste material. Pit floors will be ripped prior to placement of waste to allow for better drainage. Slopes will also be reduced, however, some highwall sections may remain up to 45 degrees as allowed by The Division. The waste dump slope will also be reduced. The access road will be reclaimed.

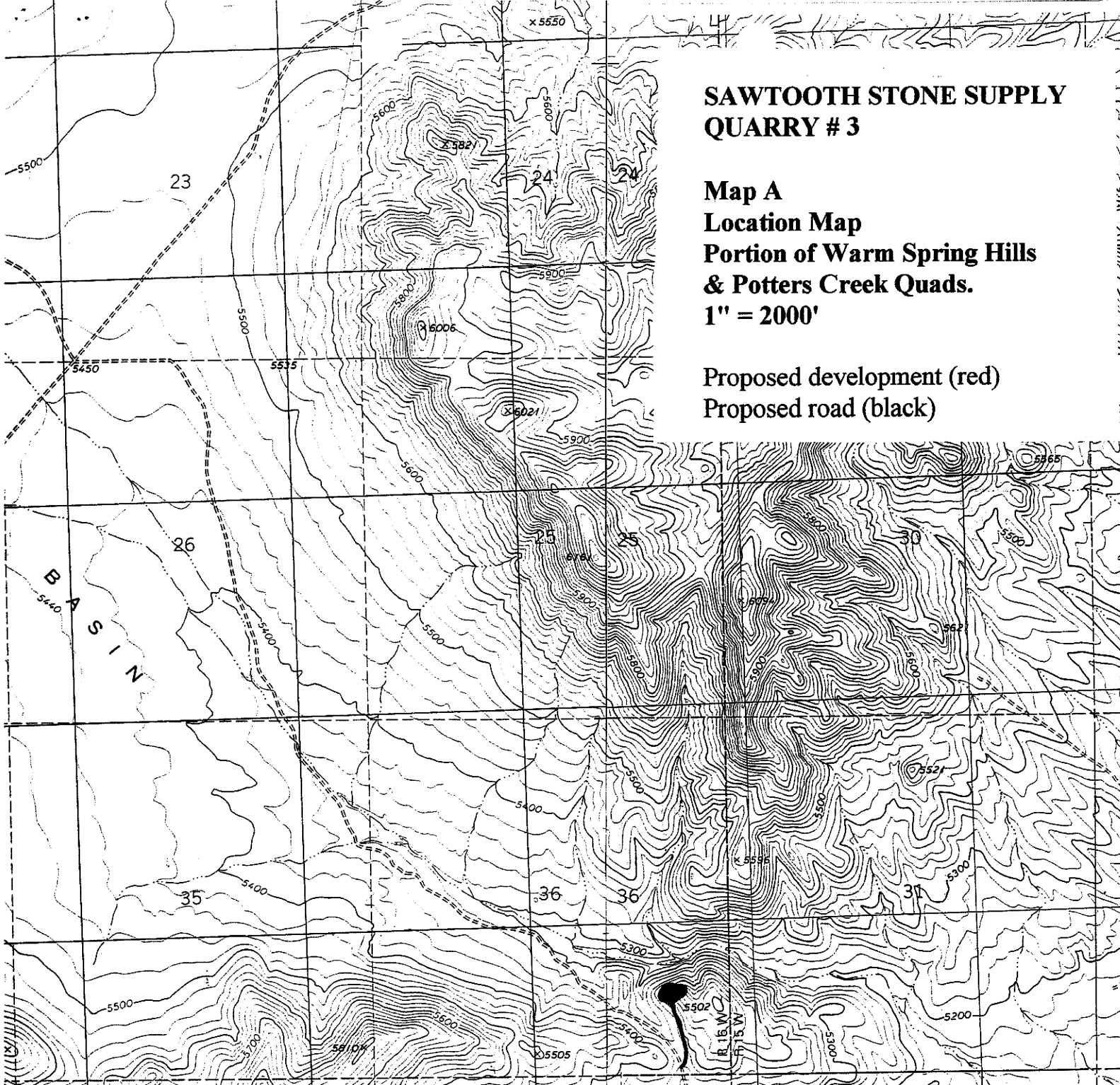
Compacted surfaces will be ripped. Surfaces will be covered with a layer of soil materials, left in a roughened condition, and planted with the approved seed mixture. Seed and fertilizer, if required, will be planted by broadcasting once during the fall months.

The operator requests The Division provide a specific reseed species list as noted under Section IV, number 13 of this form.

SAWTOOTH STONE SUPPLY QUARRY # 3

Map A
Location Map
Portion of Warm Spring Hills
& Potters Creek Quads.
1" = 2000'

Proposed development (red)
Proposed road (black)



279 113°37'30" 1420 000 FEET 283

ROAD CLASSIFICATION

Primary highway, hard surface ——— Light-duty road, hard or improved surface ———
Secondary highway, hard surface ——— Unimproved road - - - - -
○ Interstate Route ○ U. S. Route ○ State Route

Produced by the United States Geological Survey
Control by USGS and NOS/NOAA

Compiled from aerial photographs taken 1968. Revised from aerial photographs taken 1987. Field checked 1990. Map edited 1991

North American Datum of 1927 (NAD 27). Projection and 10 000-foot grid ticks: Utah Coordinate System, north zone (Lambert Conformal Conic). 1000-meter Universal Transverse Mercator grid, zone 12

The difference between NAD 27 and North American Datum of 1983 (NAD 83) for 7.5 minute intersections is given in USGS Bulletin 1875. The NAD 83 is shown by dashed corner ticks
Fine red dashed lines indicate selected fence lines

POTTERS CREEK, UTAH
41113-F6-TF-024

1991

DMA 3267 II NW-SERIES V897

**SAWTOOTH STONE SUPPLY
QUARRY # 3**

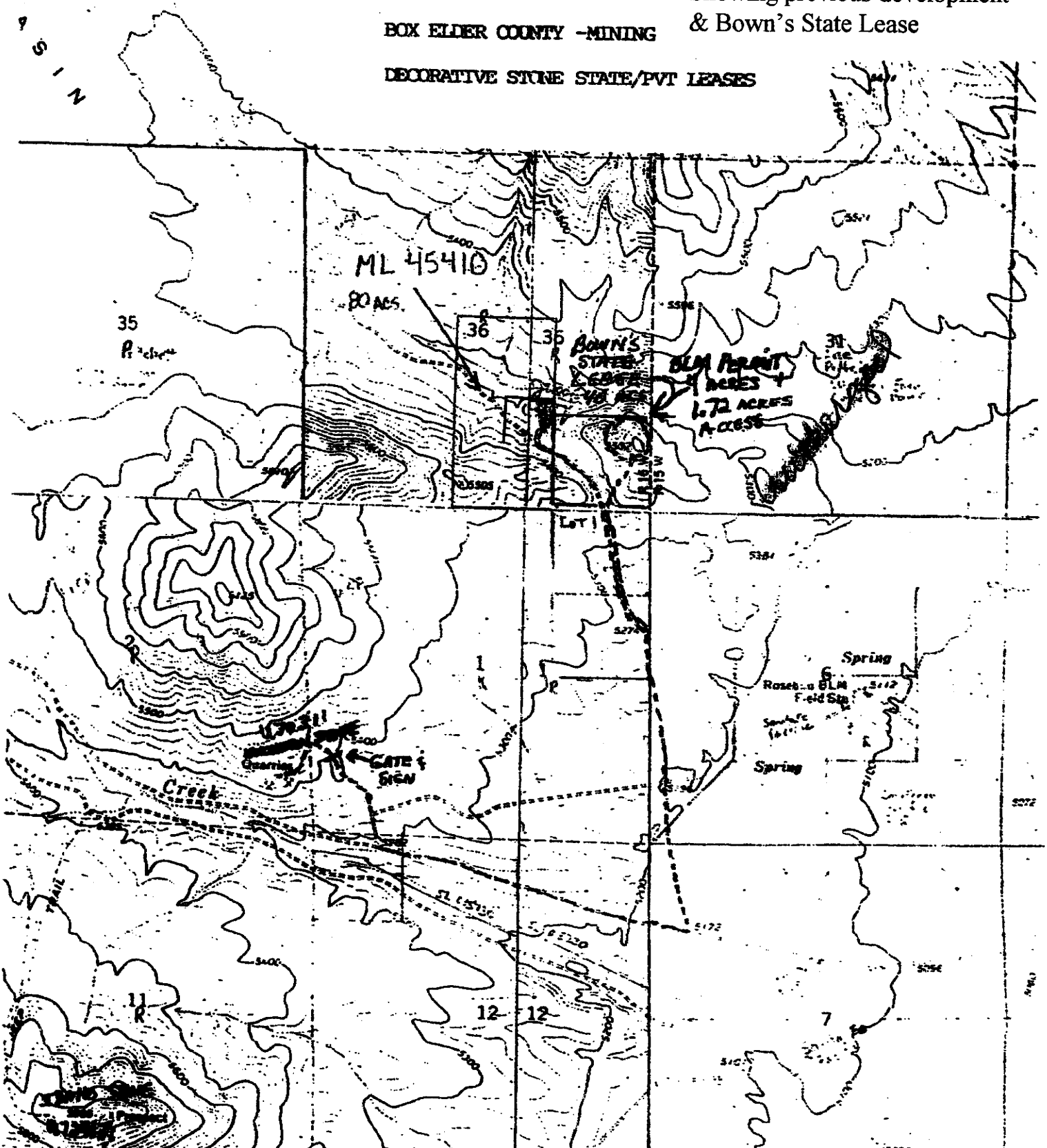
UTU-80420
Sawtooth Stone, LLC
Exhibit A

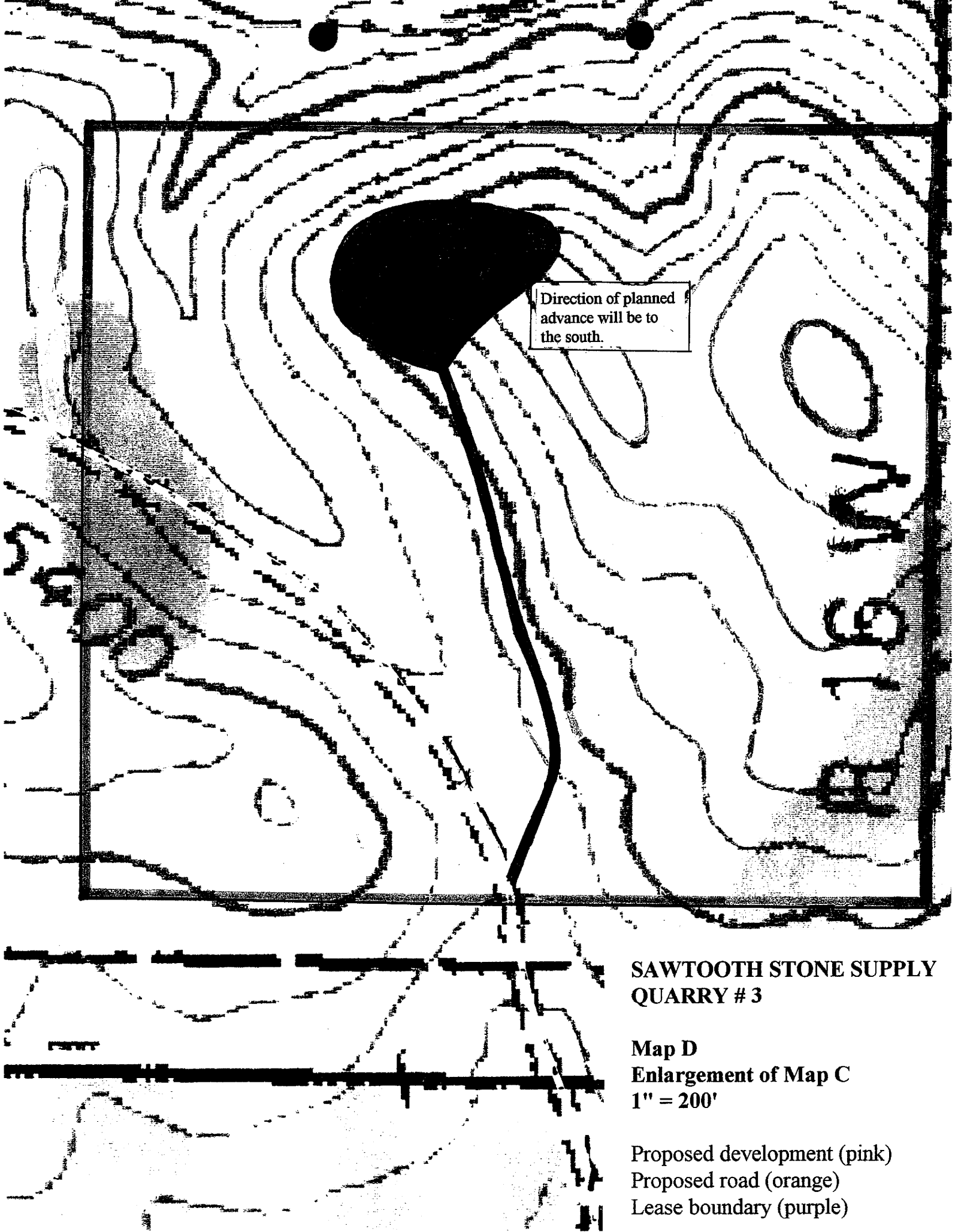
Map B
UTU-80420 Map
1" = 2000'

Showing previous development
& Bown's State Lease

BOX ELDER COUNTY - MINING

DECORATIVE STONE STATE/PVT LEASES





Direction of planned advance will be to the south.

SAWTOOTH STONE SUPPLY QUARRY # 3

Map D
Enlargement of Map C
1" = 200'

- Proposed development (pink)
- Proposed road (orange)
- Lease boundary (purple)